

FISCAL NOTE
SB 99 – HB 886

February 16, 2007

SUMMARY OF BILL: Expands the state employee tuition waiver to include online course fees for one course per term taken through the Board of Regents online degree programs.

ESTIMATED FISCAL IMPACT:

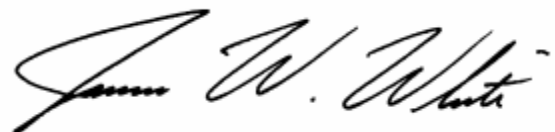
Increase State Expenditures – \$46,500 FY07-08
\$48,400 FY08-09

Assumptions:

- Lost revenues to higher education institutions would be replaced with state funds rather than higher tuition and fees.
- There are 255 state employees/students taking online courses under the waiver program. (The tuition cost of the course is currently waived; however, students must pay an online course fee.)
- 171 of these students are at universities and 84 are at community colleges.
- The online course fee for a three-hour course in FY07-08 is estimated to be \$212 for universities and \$122 for community colleges.
- 171 university students x \$212 online fee = \$36,252.
- 84 community college students x \$122 online fee = \$10,248.
- Total lost revenue = \$46,500 FY07-08.
- Tuition is estimated to increase at a rate of 4% per year. The cost to waive the online course fee in FY08-09 is estimated to be \$48,360.
- The increase in the number of students taking an online course with fee waivers is estimated to be not significant since the number of students taking each course is limited on a space available basis.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director